

KENTUCKY HEALTH BENEFIT EXCHANGE ADVISORY BOARD

Behavioral Health Subcommittee

Meeting Minutes

November 5, 2012

Call to Order and Roll Call

The first meeting of the Behavioral Health Subcommittee was held on Monday, November 5, 2012 at 1:30 pm in the Small Conference Room at the Office of the Kentucky Health Benefit Exchange. Chairperson Julie Paxton called the meeting to order at 1:30, and the Secretary called the roll.

Subcommittee Members Present: Julie Paxton, Chair; Gabriela Alcalde (by phone), and Dr. Stephen Hall.

Staff Present: Carrie Banahan, Miriam Fordham, Wanda Fowler, William Nold, Brenda Parker, Sherilyn Redmon, and Melea Rivera.

Addition of New Members

The new subcommittee members were introduced: Kelly Gunning, David Hanna, Kathy Lower (by phone), Jennifer Nolan, Sheila Schuster, Steve Shannon, and Jordan Wildermuth. Nancy Galvagni, Susan Rittenhouse, and Marcus Woodward were not present at the meeting.

Discussion of Essential Health Benefits (EHBs)

Bill Nold, Deputy Executive Director, Office of the Kentucky Health Benefit Exchange, provided an overview of essential health benefits and the process for determining Kentucky's benchmark health plan. Federal statutory provisions under the Affordable Care Act (ACA) identified 10 areas of services as comprising Essential Health Benefits. Federal guidance issued in December 2011 determined that states could review 10 benchmark plans representing a typical employer plan, and choose one plan to represent the state benchmark. States could substitute an essential benefit from another plan if an essential benefit wasn't included in the chosen plan.

The Department of Insurance (DOI) compared all appropriate plans to arrive at a benchmark choice. The Anthem Preferred Provider Organization (PPO) plan was chosen as Kentucky's benchmark plan and recommended to HHS. Mr. Nold noted that this plan would have been the default plan. The Department of Health and Human Services (HHS) will post the state benchmark plans, with a comment period allowed. Mr. Nold also noted that deductibles and cost sharing are not included in benchmarks.

Essential health benefits are key to plans being developed for the Exchange. The Exchange is working on regulations surrounding the requirements for qualified health plans, including certification requirements and the provision of essential health benefits. Mr. Nold stated that there is a current target date set of December 1, 2012, for the Qualified Health Plans (QHP) regulation so that insurers can develop products and rates. The Exchange is committed to January 1, 2013, as the beginning date for the filing period for qualified health plans prepared for sale and distribution on the Exchange. Plans offered on the Exchange must include essential health benefits. The inclusion of essential health benefits will have to be defined and also included in regulation.

The subcommittee also discussed mental health parity issues. It was noted that where there are no limitations for physical health, then there shouldn't be limitations for behavioral health, under mental health parity provisions. Similarly, when certain limitations were included surrounding physical health services, similar limitations should be included surrounding similar behavioral health services. There were some concerns surrounding what the substitution of actuarial equivalent services could mean when compared to behavioral health conditions covered. The Exchange is waiting for guidance on this issue, but it was not known when this guidance would be received.

Discussion of Behavioral Health Services included in Kentucky's EHB Selection (Anthem Preferred Provider Organization (PPO))

The subcommittee reviewed a benefit summary and schedule of benefits for Anthem PPO. Members noted that mental health inpatient coverage was limited to 30 days. Members discussed whether a 30 day limit also applied to physical health, if the 30 day limitation also applied to out of network providers, and whether detox was included in plan benefits. Exchange staff will conduct further research, and the subcommittee will continue discussion of these issues at the next meeting. It was also noted that this Anthem plan being discussed by the subcommittee is a current plan, and does not include some of the provisions that will be applicable in 2014.

The subcommittee also discussed the definition of medical necessity as defined by various plans and whether there was continuity within that definition. Some plans may use InterQual for medical necessity determination, and other plans may use different criteria. The use of InterQual is not required. In order for plans to be marketed in Kentucky, they must have utilization review processes approved by DOI as part of their plan.

Carrie Banahan, Executive Director, Office of the Kentucky Health Benefit Exchange, noted that some of the items under discussion may be plan delivery rules, which is a requirement specified by a particular insurance company in order to access services. A prime example is the requirement of some plans for prior authorization for certain services. Essential health benefits do not encompass plan delivery rules. The need for a psychiatrist to be involved in patient care delivery would be a plan delivery rule. Plan delivery rules will be unique to each insurer. However, all plans must have an explanation of services and service requirements in readable format on the Shop and Compare tool, which will be available on the Exchange website. Under the ACA, there will be more transparency regarding services and benefits offered, and any requirements or rules for accessing those services.

Other Business

Ms. Banahan provided an update on the Exchange development efforts. Exchange staff has been working on Exchange planning for nearly two years and system development needs have been identified. Kentucky has contracted with Deloitte, an information technology (IT) vendor, for the implementation of the Exchange IT system build and the eligibility and enrollment system.

Federal grant funds have also been received for implementation of the Navigator program to assist people in applying for insurance and/or Medicaid eligibility. Ms. Banahan stated that the Exchange will also be pursuing an In-Person Assister program, for which grant funds may be used up to 2015. In October 2012, the Exchange signed a contract with a marketing and outreach vendor, Doe-Anderson, to work on advertising and outreach to the public. Branding for the Exchange should be completed soon. Public forums have been held across the state and more forums will be held in the Spring.

Federal grant funds have also been received for the implementation of a health care workforce study which will be used to analyze and determine professional health care needs across the state and to determine innovative methods to increase the healthcare workforce. The Exchange also has an active website.

The Exchange will be filing a Level II grant application for additional federal funding for the IT system build on November 15, 2012. Kentucky will file a Blueprint for the state health benefit exchange on November 16, 2012, with the federal government. Ms. Banahan noted that if a state exchange is not implemented, Kentucky would be forced to default to the federal government for operations of the exchange for the state.

Open enrollment for the exchange begins October 1, 2013. At that time, Medicaid eligibility will be determined through review of modified adjusted gross income. An assessment of resources will not occur for family-related Medicaid eligibility. In response to a question, Ms. Banahan stated that qualifying events, such as losing a job, will enable people to move back and forth from Medicaid to the Exchange, when needed. Kentucky is still considering whether to expand Medicaid eligibility to childless adults but no decision has been made. Ms. Banahan clarified that Disproportionate Share Hospital (DSH) payments will be reduced over time.

The next subcommittee meeting was scheduled for December 10, 2012, at 1:30 p.m. in the Small Conference Room at the Office of the Kentucky Health Benefit Exchange. Ms. Banahan asked that questions for Anthem be forwarded to Exchange staff, and staff will also address any other questions received.

Adjournment

The meeting adjourned at 2:50 pm.